

It all begins in

Downtown Las Vegas

The geographic center of the Las Vegas Valley is becoming the center of intense development activity — with \$21.7 billion worth of new construction under way or on the drawing board. The reason? Downtown Las Vegas currently enjoys significant advantages over the Strip. Such as substantially lower per-acre costs, more flexible land use rules and developer incentives and assistance.

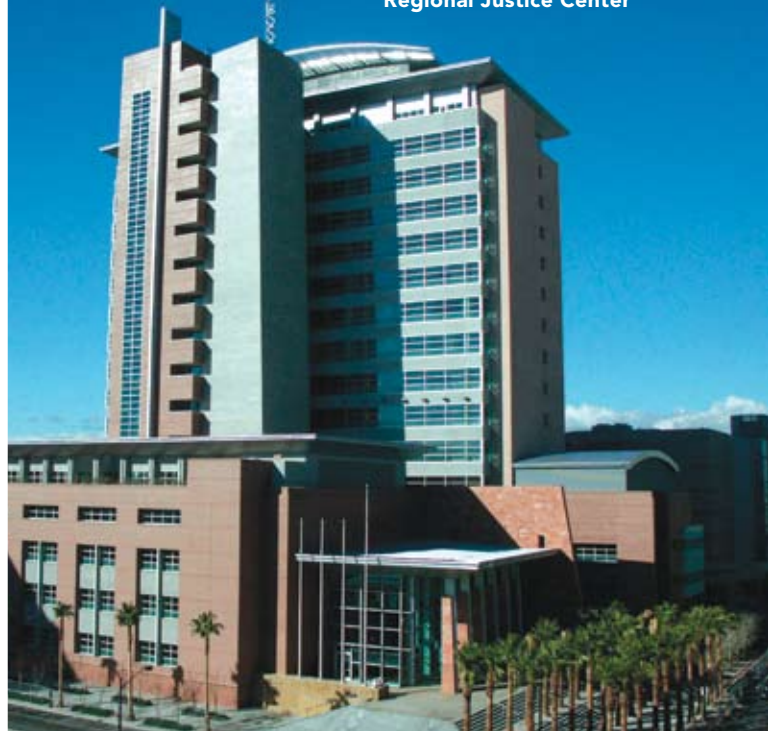
But as the pace of development accelerates, some of those comparative advantages may narrow. The time to invest in downtown is now. The city's Office of Business Development (OBD) and Redevelopment Agency (RDA), can work with you to maximize the opportunity that downtown presents. And help you thrive in the vital center of Las Vegas.



Las Vegas Premium Outlets



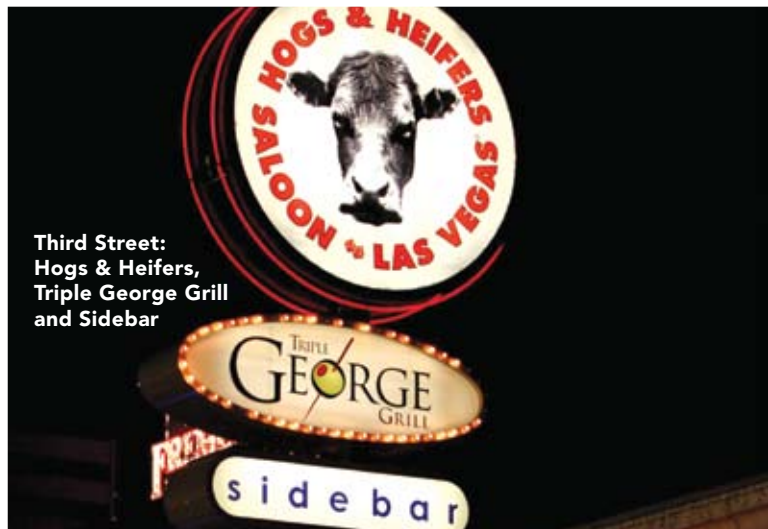
Regional Justice Center



Lloyd D. George
Federal Courthouse



Third Street:
Hogs & Heifers,
Triple George Grill
and Sidebar



Lewis Avenue





The Downtown Renaissance

It's all happening by design. Las Vegas' recently adopted Downtown Centennial Plan provides a long-range strategy for rebirth. It envisions revitalized neighborhoods, special districts for entertainment and the arts, and all the activity in and around Union Park (a \$14 billion investment in downtown's future).

Early catalysts

It began with a development that was criticized by some at the time. But the Las Vegas Premium Outlets mall, built in 2003, is credited with helping to jump-start the revitalization of downtown. The mall is now expanding by some 30 stores.

Meanwhile, the expansion of the nearby World Market Center (WMC) continues. Its first two buildings, with a total of 2.9 million square feet of exhibition and meeting space, will be joined by a third next year.

By 2012 the WMC will be the largest home furnishings center in the world, a complex of eight buildings offering a massive 12 million square feet of space. And it will be made possible in part by city-provided tax rebates for infrastructure improvements — a decisive edge that the Strip couldn't match.

Investment in public facilities has also played a role in the downtown renaissance. The new Lloyd D. George Federal Courthouse and the Regional Justice Center are just two examples.

A critical mass

Projects like the World Market Center are important because they demonstrate the returns that investment in downtown can provide.

Along with their direct economic impact, these developments help to spur renovations in surrounding

areas. They also encourage new growth, such as hotels and condo towers, which accelerates the process. The result is a critical mass of employment, residential, retail and entertainment opportunities that are making the center of Las Vegas a vibrant place to live, work and play.

The signs are everywhere:

- **More retail space.** Today downtown has more than 1.2 million square feet of retail. And more is coming — the Downtown Centennial Plan calls for mixed-use projects to set aside 70 percent of their street-level space for retail use. To help attract high-quality retailers, the Office of Business Development and the Redevelopment Agency have a comprehensive outreach program called *Retail Downtown Las Vegas*.
- **More residential units.** Several high-rise and mid-rise developments are now raising the city's profile — and bringing a total of 1,370 upscale condos to downtown. In this first wave, they include Allure, juhl, Streamline Tower, Newport Lofts, Soho Lofts and Urban Lofts Townhomes. In addition, 15,000 more residential units are currently in the planning stages.
- **More entertainment options.** All the new downtown residents will want places to dine, drink and play. From the upscale Triple George Grill and Sidebar to the rowdy Hogs & Heifers Saloon, downtown already provides many choices.

The Downtown Renaissance

- **Fremont East.** In Las Vegas' new entertainment district, streetscape improvements totaling \$5.5 million — including iconic neon signage — are lighting up the downtown sky. Fremont East is adjacent to the Fremont Street Experience, which was visited by 18.7 million people last year.
- **18b Arts District.** Thousands of Las Vegas residents and visitors know 18b as the site of the “First Friday” arts and cultural event. Designated an arts district by the city in 2003, 18b offers an eclectic mix of private studios and galleries. Landmark gateways into the neighborhood and unique street signage will be funded in part by a National Endowment for the Arts grant.
- **Fifth Street School.** With a \$9.5 million renovation, this once-faded facility will soon become a cultural oasis, the site for such organizations as the University of Nevada Las Vegas Fine Arts Program, including the Downtown Design Center for the School of Architecture; the Nevada School of the Arts (a music education organization); the American Institute of Architects and the city of Las Vegas Cultural Affairs Division.
- **POST Modern Museum.** The city is transforming this historic downtown post office and federal courthouse into a multi-million dollar cultural center and museum while preserving the building's unique character.



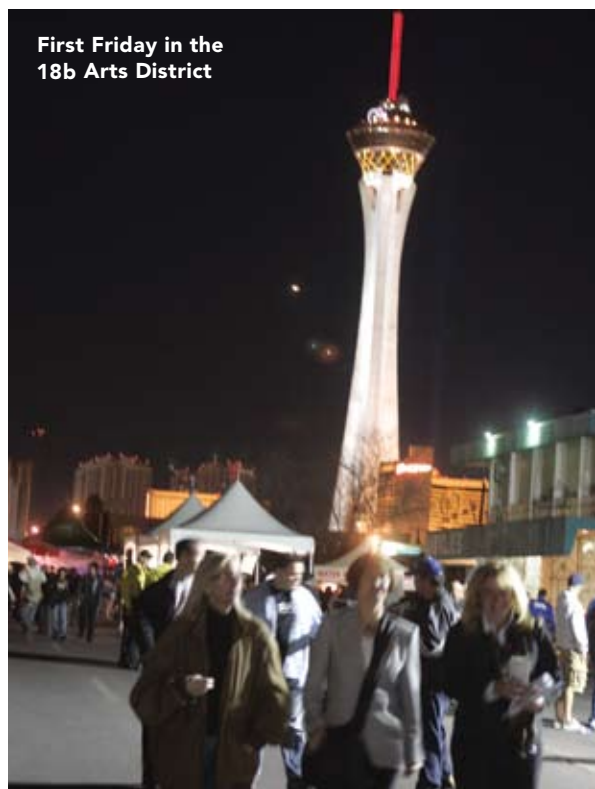
Fremont East District



Fifth Street School



POST Modern Museum



First Friday in the
18b Arts District



Patrons at The Griffin - Fremont East District

The Downtown Renaissance



Streamline Towers

Notable Redevelopment Area Residential Projects

- **Allure Las Vegas.** This 41-story luxury high-rise offers 428 residential units with multiple floor plans.
- **juhl Las Vegas.** A mixed-use development with six connected buildings ranging from six to 15 stories, juhl has 354 residential units.
- **Streamline Tower.** The first residential tower in the entertainment district, Streamline has 275 one-, two- and three-bedroom condominiums.
- **Newport Lofts.** Located in the 18b Arts District, the upscale Newport Lofts rises 23 stories and has sold all 168 loft-style units.
- **Soho Lofts.** The first of the new, upscale downtown loft-style residential developments to be completed, Soho Lofts has 120 units on 16 floors.
- **Urban Lofts Townhomes.** The eastern edge of downtown is getting a jolt of eclectic urban design with these corrugated-metal residences. A total of 71 units are being built at Fremont and 19th streets, with another 30 units at 11th Street and Carson Avenue under development. Two other urban loft developments are also planned for the downtown Las Vegas area.



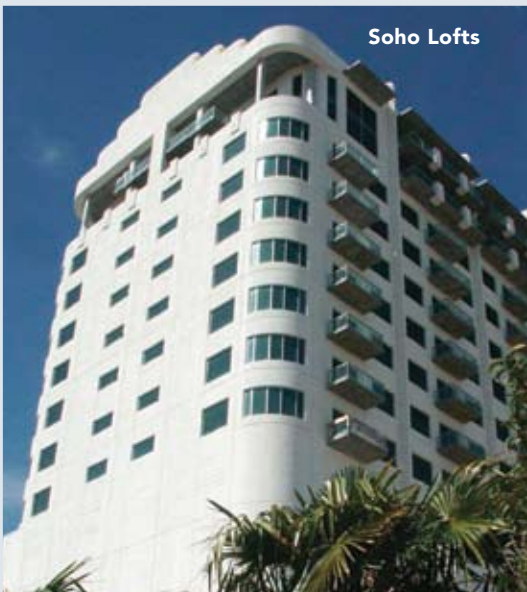
Allure



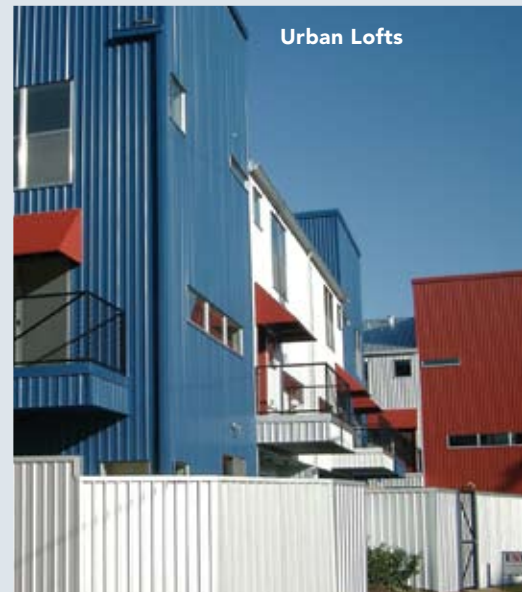
Newport Lofts



juhl



Soho Lofts



Urban Lofts



Live Work Las Vegas



World Market Center



El Cortez



Golden Nugget
shark tank pool



4 Queens

Current Developments

Billions of dollars' worth of commercial and residential construction is rising up in downtown Las Vegas, while older areas of the city are being renewed. Projects now under construction or pending regulatory approval account for \$1.7 billion. And another \$20 billion in development is planned for 2008 and beyond.

These projects include:

- **Union Park**, a 61-acre, mixed-use site that will include the Smith Center for the Performing Arts, the Frank Gehry-designed Lou Ruvo Brain Institute and the proposed World Jewelry Center.
- **Live Work Las Vegas**, with a new City Hall and Regional Transportation Center serving as development anchors.
- **The downtown casino district**, where CIM Group is re-energizing the Lady Luck, and other new owners are updating such famous properties as the Golden Nugget, the Four Queens, Binions and the El Cortez.

The Office of Business Development and the Redevelopment Agency are also working with developers to help them complete projects such as the World Market Center and the 15,000 residential units proposed for downtown. Each is contributing to the momentum now building in the Las Vegas Redevelopment Area.

Read on to learn more about these landmark projects and the developers who are partnering with the Office of Business Development and the Redevelopment Agency to make them happen.

Union Park

The city of Las Vegas has selected a developer, Newland Communities, to provide master planning and marketing for the site. An initial \$40 million in bond financing for phase-one infrastructure has been authorized, and construction is scheduled to begin in December 2007. Phase two and three bonds will be released in early 2008 for \$74 million. The city's total investment to build out Union Park approaches \$200 million.

Union Park is to include a mix of commercial, civic and residential projects. It will comprise a total of 9.4 million square feet of development — all of which, except for the Smith Center for the Performing Arts and Union Park's connecting

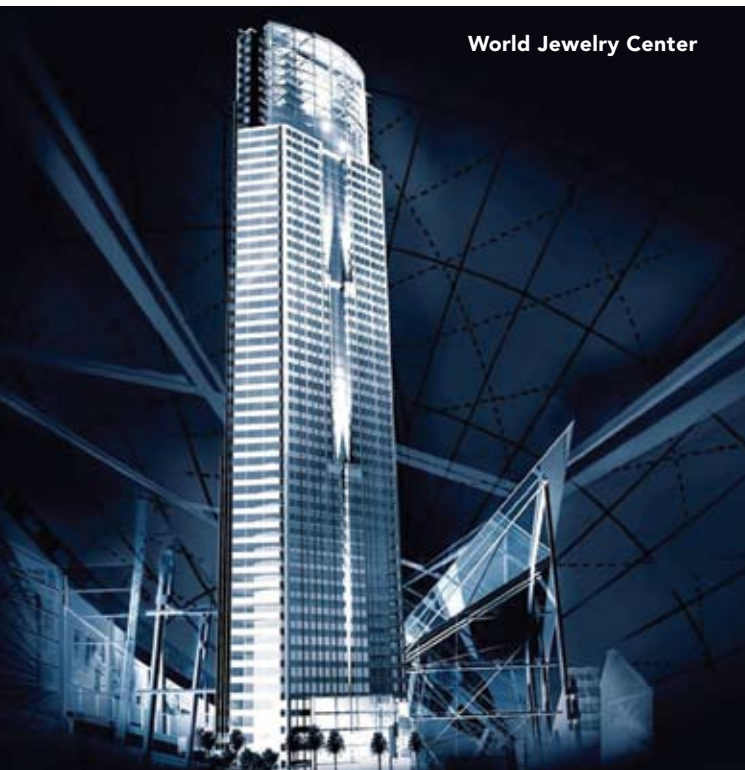


Current Developments

**Lou Ruvo Brain Institute,
a Frank Gehry design**



World Jewelry Center



**The Smith Center
for the Performing Arts**



Current Developments

roadways, will be private. Its annual economic impact to the county will be an estimated \$1.4 billion.

Three key projects are already slated for Union Park:

- **Smith Center for the Performing Arts.** Public and private support is financing the construction of this future home of the Nevada Ballet Theater and Las Vegas Philharmonic. Construction for the performing arts center is scheduled to begin in 2008. The performing arts center has been designed by renowned architect David M. Schwarz.
- **Lou Ruvo Brain Institute.** Renowned “starchitect” Frank Gehry has designed what will become an architectural landmark in downtown Las Vegas upon its completion in 2009. The institute will focus on the study and treatment of neurodegenerative diseases.
- **World Jewelry Center.** A complex featuring a tower soaring over 50 stories, the World Jewelry Center will serve some 400 international jewelry dealers and manufacturers. A gem and jewelry museum, retail spaces and upscale condo residences are also planned for the World Jewelry Center, which is to break ground in 2008.

Another prominent Union Park project will be a four-star hotel to be built by celebrity chef Charlie Palmer in partnership with City-Core Development. The hotel, as well as 170 mid-rise and low-rise residential buildings to be built by Newland Communities and a non-gaming hotel linked to a medical office building, are all projected to begin construction next year.

Live Work Las Vegas

Directly across from the Union Park site, the 13-acre Live Work Las Vegas development will offer Las Vegans an enticing new option for downtown shopping, dining and working.

Along with Live Work’s 1.2 million square feet of commercial office space, plans are to anchor the project with a new 300,000 square-foot Las Vegas City Hall complex and a Regional Transportation Center. Retailers, restaurants, cafés and other entertainment venues will serve its residents, and plazas and bridges will create an appealing, pedestrian-friendly streetscape.

Forest City Development — one of the premier mixed-use real estate development companies in

One important aspect of the downtown renaissance is the emergence of market-independent projects such as the World Market Center and World Jewelry Center. These are considered “market-independent” because they serve specific, worldwide markets, so their success does not depend on the strength of the local economy. Even if office space were widely available in the city, tenants would still be drawn to the World Market Center and World Jewelry Center because these facilities offer lucrative business opportunities that are not available elsewhere. Thus the World Market Center and World Jewelry Center contribute to Las Vegas’ economic diversity while they serve as magnets for other development downtown.

Current Developments

the U.S. — has joined with Live Work LLC on the project. Construction is projected to start in 2010.

CIM Group/The Lady Luck

CIM Group, a major player in high-density urban development, has big plans for the Lady Luck Hotel and Casino.

Not only does CIM Group plan to restore this legendary downtown property to its former glory

— with a renovated casino, a 700-room hotel tower, retail and other amenities — but they also seek to surround the Lady Luck with entertainment venues, which would form a new artery connecting the area with Fremont Street.

The first phase of the Lady Luck's renovation is expected to break ground by mid-2008.

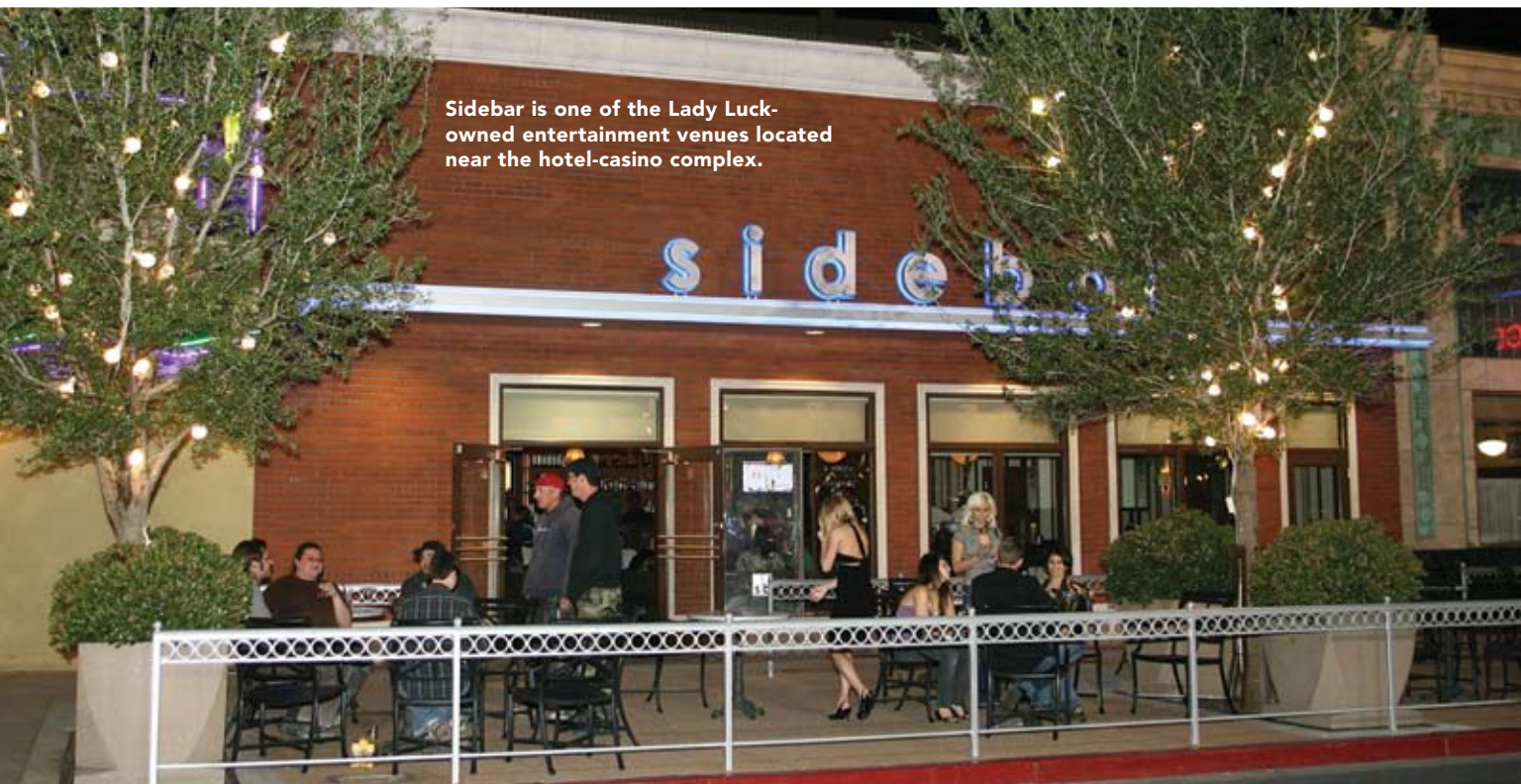




Photo by Westley Myles Isbutt, Studio West Photography

Value Drivers

What explains the surge of new investment in Las Vegas' urban core? We share strong tax, infrastructure and growth advantages with the Strip and other cities in Nevada. But Las Vegas also strives to make downtown a more welcoming place in which to invest and build.

Under the Downtown Centennial Plan, we've adopted more flexible land use rules to encourage large-scale, mixed-use projects. In some cases, the city provides waivers on building set-back and parking requirements. And we offer incentives to encourage development, such as Tax Increment Financing.

Because of air traffic around McCarran Airport, building heights near the south end of the Strip are limited — so growth is moving toward downtown Las Vegas, which has no such height restrictions. With more opportunity for vertical expansion, downtown allows for greater business density.

A greater concentration and diversity of businesses gives downtown more jobs per acre. This, in turn, gives more people another reason to live there, which makes downtown ideal for mid-rise and high-rise residential development.

In many ways, the downtown area is similar to a suburban business park — only with much more to offer.

Other downtown value drivers include:

- **Land values.** Downtown's land costs are significantly lower than on the Strip — \$6 million to \$12 million per acre, versus \$20 million to \$38 million.
- **Access.** Downtown lies at the intersection of two major highways, so it enjoys easy access to the entire Southwest. Both I-15 and U.S. 95 — as well as the I-215 loop around Las Vegas — are being expanded and upgraded. And downtown's central location shortens commute times to areas throughout and surrounding the Las Vegas Valley.
- **State and regional assets.** Las Vegas benefits from Nevada's lack of corporate and state income taxes. McCarran Airport draws travelers from around the world. Las Vegas has a superior telecom infrastructure and dependable, low-cost energy supplies. And with 6,000 new residents arriving each month, Las Vegas' population growth continues unabated.

McCarran Airport is the sixth busiest airport in the United States.



Business Incentives

You're not alone in wanting to invest in downtown Las Vegas. Nor will you be alone when it's time to plan, permit, finance and build your project. Through the Office of Business Development and the Redevelopment Agency, the city of Las Vegas provides a variety of financial incentives and resources to developers. It's more than support — it's a real partnership.

One key incentive is Tax Increment Financing (TIF), which leverages property tax revenues to reimburse developers for such infrastructure improvements as streets, sidewalks, utilities and storm drainage in the Las Vegas Redevelopment Area.

A tax increment is the increase in property taxes generated by development on a site. Under TIF, the city uses the difference between the original assessed value of the site and its new, enhanced value to pay for qualified expenditures. Up to 41 percent of the tax increment can be rebated to property owners in this way.

With so much development activity in the Redevelopment Area, TIF revenues are growing faster than the projected rate. An estimated \$150 million in funds will be available over the coming five years to help fund downtown renewal.

Other business incentives and resources include:

- **Downtown's Foreign Trade Zones (FTZs).** By deferring duties and taxes on products made within these zones, international trade is promoted. The entire 57-acre World Market Center site is an FTZ, and the proposed World Jewelry Center will be located in a FTZ as well.
- **Business Improvement Districts (BIDs).** These districts reinvest taxes to pay for general improvements in each area. Fremont East is one such BID.
- **Our Fast Track program.** Over the past year, the Redevelopment Agency has helped 97 developers and business owners through this program. Fast Track expedites entitlements and permitting, including gaming and liquor licensing, to provide a more seamless approval process.
- **Visual Improvement Programs (VIPs).** Owners of qualifying businesses in the redevelopment area can receive financial assistance for improving the exterior appearance of their establishments and bringing them up to code.

The Griffin signage, a result of the Visual Improvement Program



The Redevelopment Area

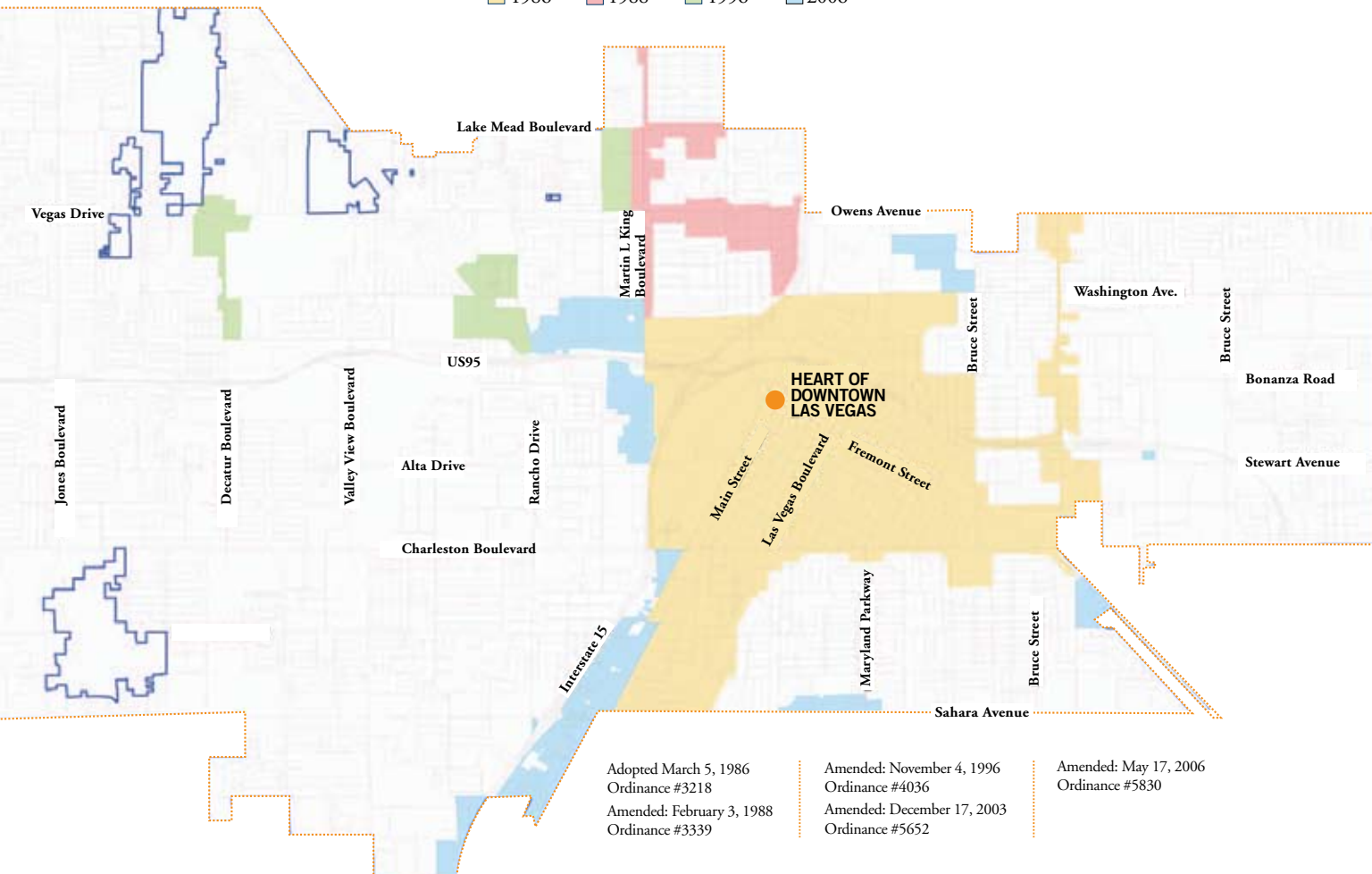
The expanded Las Vegas Redevelopment Area now comprises 3,948 acres in and around downtown. Developers investing here can benefit from an array of city programs.

The core of the Redevelopment Area lies between I-15 to the west and Maryland Parkway to the east, and between Washington Avenue to the north and Sahara Avenue to the south. It also includes the Charleston Boulevard, Martin Luther King Boulevard and Eastern Avenue corridors.

The city of Las Vegas

Redevelopment Areas (Shown by Year Added)

1986 1988 1996 2006



About the OBD & RDA

The Office of Business Development (OBD), a department of the city of Las Vegas, was created in 1996 to support economic diversification by attracting, retaining and expanding businesses. The OBD coordinates new development and redevelopment projects throughout the city, with an emphasis on the downtown area.

The city of Las Vegas Redevelopment Agency (RDA), founded in 1986 and chartered until 2031, works with the community and the private sector to accomplish beneficial revitalization efforts within the 3,948-acre Las Vegas Redevelopment Area.

Through our business outreach program, the OBD and the RDA offer onsite consultations and troubleshooting to business owners and operators. We extend various forms of assistance — including financial incentives — to existing businesses as well as to those seeking to relocate to downtown Las Vegas.

**City of Las Vegas
Office of Business Development
Redevelopment Agency**

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www.lvrda.org**

**Business Hours: Monday – Friday
8:00 a.m. – 5:00 p.m. (Pacific Time)**



